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20 December 1985

MEMORANDUM FOR: Director of Central Intelligence  
Deputy Director of Central Intelligence  
Executive Director

VIA: Deputy Director for Intelligence

FROM: John L. Helgerson  
Director of African and Latin American Analysis

SUBJECT: [ ] Paper on Chile [ ]

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1. The attached paper was written by [ ]

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[ ] It complements the memorandum entitled "Chile: Scenarios of Dramatic Political Change" prepared by the Office of Global Issues and forwarded to you in October 1985. This is part of our continuing effort to "think the unthinkable" about important countries with unstable political systems. [ ]

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2. Basically, the author lays out three scenarios whereby the Chilean political landscape could be dramatically changed over the next 18 months:

- Pinochet's sudden death would probably lead the military to invite approved civilians to participate in a civil-military "provisional government" which would either set about planning a more democratic transition to a popularly elected government or serve as a vehicle for continued military rule--and of political agitation against it.
- Deepening social and economic crisis would lead the military to force Pinochet to resign with the same results as in scenario one.

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-- Leftists could seize power by fomenting a popular uprising of uncontrollable dimensions or by exploiting a civil war resulting from a violent split in the armed forces. If leftist agitation appeared to be getting out of hand, opportunistic generals, seeing the handwriting on the wall, might also seize power preemptively and announce the advent of a "socialist regime" broadly aligned with Cuba and the USSR.

At bottom, however, the author does not believe that dramatic changes of the sort he lays out will occur, feeling instead that any changes over the next 18 months are likely to be gradual in nature and engineered by Pinochet in an effort to stay in power.

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3. ALA believes the paper overstates the degree to which the Chilean military currently stands behind Pinochet. Otherwise, however, we believe the scenarios presented are reasonable and concur in the judgment that the odds favor evolutionary rather than revolutionary change in Chile over the next 18 months.

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4. The author did not have access to classified information in preparing the paper, which can be handled as unclassified when detached from this memorandum.

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John L. Helgerson /

Attachment:

"Future Developments in Chile: Scenarios  
Expected and Unexpected"

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## **FUTURE DEVELOPMENTS IN CHILE: SCENARIOS EXPECTED AND UNEXPECTED**

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The purpose of this paper is to think a bit about the unthinkable--the sudden, unexpected collapse of the Pinochet regime in Chile, and the possible consequences. The period for which we are projecting extends roughly to early 1987, or about eighteen months from now.

Perhaps it would be proper to begin, however, by stating that in the best professional opinion of this analyst, no dramatic changes are likely to occur in Chile during that period. This is so because:

- General Pinochet, though 69 years of age, appears to be in excellent physical health,
- He appears to enjoy the absolute loyalty of the Army, and effective control of the other two armed services and the police (carabineros),
- The opposition, though slowly beginning to organize around a common agenda, is still unable to mobilize as an effective political force,
- Those elements most capable of carrying out an assassination (the Movement of the Revolutionary Left [MIR] or the Manuel Rodriguez Patriotic Movement [MPMR]) appear to prefer other avenues to power.

**Pinochet's health.** Given the highly personalistic nature of the regime, the health of the Chilean President is the subject of widespread speculation, since no other figure in the armed

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forces seems capable of replacing him. For his part, the Chilean President has done nothing to groom a possible successor, and has in fact retired from the military almost all of those generals who could reasonably challenge his hegemony in the armed forces.

**The loyalty of the armed forces.** Both Pinochet and his opponents are well aware of the fact that the support of the armed forces is utterly crucial to his continuance in power, and also to the successful consummation of the political transition envisioned by the Constitution of 1980. Traditionally, the Chilean army has been characterized by a high degree of professionalism--rigidly hierarchical, and hermetically sealed off from the mainstream of civilian society. Hence it is difficult for opposition politicians to discover, much less exploit, whatever differences of opinion may arise within the officer corps.

A strong bond exists between Pinochet and the Chilean military: partly one of honor and conviction, partly one of self-interest. As an institution, the armed forces have a crucial stake in the political system which emerged since 1973. They have, in fact, sworn to defend the Constitution of 1980, which assures Pinochet the presidency to 1989, and establishes in apparent perpetuity a new political system in which the military will possess extraordinary discretionary and supervisory powers. Also, Pinochet has significantly improved the pay, allowances, and social stature of the military (and their wives).

It is known that there are differences within the armed forces on all of the major political issues, with the Air Force the most "liberal" wing, the army the most "conservative" (e.g., pro-Pinochet), and the Navy somewhere in between. Nonetheless, the only service whose political views count is the Army; no important change can take place without its unreserved support, and insofar as is known, there are no serious divisions within that branch.

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**The opposition.** While it is true that the opposition has shown unexpected vitality and capacity for growth in recent months, as evidenced by the Grand National Accord, there are still many obstacles to a solid consensus. The major point of contention is the question of the role of the Communist party in the transition: the Socialists favor some form of "cooperation" with the party and its front organization, the MDP, while the other parties tend to prefer to maintain their distance from it. (Even so, within Christian Democracy there are conflicting currents, particularly in its youth wing.)

There are also some differences of opinion on how, precisely, the transition is to be speeded up or qualitatively changed--whether through civil disobedience, negotiations with the regime, or international pressures. The bottom line, however, is that unless and until the Chilean Army decides that it is in its own interests to break with the regime's current political blueprint, there is nothing that the opposition can do to alter decisively the course of events.

**The Revolutionary Left.** Since roughly 1980, the Communist party and its allies have publicly favored the use of violence to bring about the downfall of the regime, and have in fact engaged in terrorist activities against police, military and civil authorities. This places them somewhat outside the parameters of the Democratic Alliance. Since this is a sharp break with the party's line in the past, it suggests that the leadership believes that Pinochet is bound to remain in power to 1989 and beyond, that it would be best to stake out early the most "advanced" possible position. Certainly the party has reason to regard Pinochet as its best ally, since he polarizes opinion, delegitimizes the regime internationally, and--by denying them any form of modest success--discredits the more moderate forces within the opposition. If this presumption is correct, then the assassination of Pinochet would definitely not be on the agenda of the Communist party or its allies.

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**THE CONTEXT - 1985-1987**

The next eighteen to twenty-four months could be regarded as "pre-transitional": they bring us mid-way through the four years prior to the plebiscite of 1989. The regime hopes that during this period two things will happen: one, the opposition will recognize the futility of its efforts, and/or fall to quarrelling among its constituent parts; and two, a new political force broadly supportive of the government's goals (the UDI, or Independent Democratic Union, or something like it) will have an opportunity to sink roots into Chile's political soil and preempt the older parties when, according to the regime's own blueprint, the lid on legal party activity must be lifted.

At one time this seemed at least a conceivable scenario, particularly during the years 1978-1981, when the country experienced an unprecedented economic boom. In the context of a depression in copper prices, a staggering foreign debt, and growing reluctance on the part of foreign investment to commit itself to new Chilean projects, it appears virtually beyond reach. Even a modest upturn, such as some economists predict, will not be enough to generate a firm constituency approaching (if not exceeding) a majority on behalf of the government when elections are held in 1990.

The period 1985-87 is likewise crucial to the opposition, since if it cannot show some forward movement, by 1987 its constituent parties will be under considerable pressure to move closer to the Communists, or at least to work with them in a tactical sense. (Such pressures already exist, particularly within the youth and student organizations, but so far have been resisted at the highest levels.) One new qualitative factor is the role of Cardinal

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Juan Francisco Fresno, who has become something of a mediator between the opposition parties and the regime. Nonetheless, it remains to be seen whether the Church--already regarded as "infiltrated" by the regime--can obtain anything from the regime which it is presently unwilling to concede.

Both the government and the opposition place enormous importance upon relations with the United States, which each believes (rightly or wrongly) could weigh in decisively on one side or the other. The government does all it can to assure the Chilean public that its relations with the United States, and most especially with the Reagan administration, are excellent, while the opposition searches the horizon continually for signs of change in US policy, or for decisive action by the US Congress which could, in some (undefined) way, alter the balance of forces on the ground.

### **SCENARIOS FOR UNEXPECTED CHANGES**

#### **SCENARIO ONE: Pinochet's Sudden Death.**

This could occur either through natural causes or by political assassination. Since Pinochet is at the age where many men contract fatal ailments, notably cancer, or suffer fatal heart attacks, this cannot be discounted as a possibility, but without very good medical knowledge (such as we did not have, for example, on the Shah of Iran) it is impossible to predict.

As noted above, assassination does not seem to be on the agenda of the two organizations most capable of carrying out a successful attempt--the MIR or the Manuel Rodriguez Patriotic Movement. On the other hand, this does not discount the possibility of

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such an act being carried out by a splinter faction, a lone gunman, or even--to extrapolate from incidents of this type elsewhere in Latin America--a member of his own personal bodyguard.

The sudden death of Pinochet would wholly alter the political equation. For one thing, the armed forces would instantly be released from fealty to his person (and even, in a way, from the Constitution of 1980, since he is specifically named in that document as the President to 1989). For another, since Pinochet's "legitimacy" within the armed forces is traced to the coup of 1973, there would be no serving army general who could claim right of succession, at least on that basis. No doubt the army commander presently serving as Pinochet's proxy on the junta would, by reason of service seniority, accede to the presidency, but the man himself was selected for his present position precisely because he lacks the qualities and political talent of the incumbent.

Under these circumstances, there would, to be sure, be an attempt to continue with the political blueprint contemplated by the Constitution of 1980. But it would be of short duration, because Pinochet's sudden disappearance would raise a whole host of pressures and expectations which could not easily be contained. For one thing, it would be an opportunity for the more moderate (or perhaps merely more pragmatic) members of the armed forces to speak up in favor of a more rapid and expeditious transition. For another, it would be an excuse for members of the Chilean business elite who have held back in the past to "go public" for a return to democracy. For another, it would provoke widespread popular demonstrations, and an increase in international pressures for political liberalization.

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Thus it is likely that shortly after Pinochet's death, the generals would begin by inviting a small group of approved civilians to join them in a civil-military "provisional government."

From here events could take one of two courses: the new government might invite members of the opposition to join them in revising the Constitution of 1980 and planning a more democratic version of a transition, with elections for a new Congress to be held as expeditiously as possible, instead of 1990, as presently contemplated. In that case there would be little incentive for the Democratic Alliance to persist in their ambiguities concerning the Communist party; a growing climate of confidence would develop between the opposition and the armed forces; and a reasonably orderly transition could be contemplated.

Or, the military might persist in following the current timetable for transition with no changes--either on its own, or in conjunction with some civilian allies drawn from the most unrepresentative sector of the right. Given the expectations and the psychological climate which Pinochet's sudden disappearance would inevitably generate, this would provoke widespread popular protest, the defection of many civilian elements who have supported the regime in the past, and a further chilling of relations with the United States. Moreover, it is unlikely that under these circumstances the government would retain its will to power: there would be, inevitably, differences of opinion within its ranks, and in the absence of an undisputed source of authority, confusion and a loss of direction.

This could lead to a stop-go response to events: hard-nosed declarations and measures followed by sudden, frantic attempts to conciliate public opinion through rapid concessions (return of exiles, lifting of restrictions on the Communist party, etc.). It might also lead to a rapid succession of cabinets and of political plans, in which, the

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government--having clearly lost the initiative--would eventually cede it to the streets and/or to a coalition of the most vociferous and militant members of the opposition. The latter, inevitably, would have some connection with, or tolerance of, the Communist party, and might join the government only to open the door for a coalition with the MDP. At some point the only alternative to this course might be the sudden reassertion of military power through an exceptionally repressive "coup within a coup."

**Checklist of Indicators to Watch for Scenario One.**

(1) Pinochet's health, physical appearance, any hard medical information. It would also be useful to know more about the health of his wife, since she is generally regarded as an exceptionally influential counsellor--perhaps the only one he trusts--and certainly the one most capable of persuading him to change course.

(2) Doctrinal views of the Communist party, the MIR, and the MDP generally on the role of political assassination in the struggle for power.

(3) Entry into Chile of terrorist elements most likely to carry out a regicidal assassination--the Basque ETA, the PLO, the IRA, Argentine Montoneros or remnants of the Argentine ERP.

(4) Pattern of terrorist activities in Chile (To what degree does assassination figure? What capabilities have been demonstrated?).

(5) Presence or absence of Chilean militants in other areas of the world where assassination and crimes of state are common (North Ireland, Lebanon, etc.).

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(6) Incidents of infiltration into the Chilean secret service (the civilian force which guards Pinochet's person).

**SCENARIO TWO. The "Portuguese" Option".**

The metaphor here is drawn from the Portuguese Revolution of 1974, in which the armed forces overthrew a government which it had supported for decades, and in which it had figured prominently. The immediate precipitant was the war in Africa, which had taken a harsh toll in the lives of officers and enlisted men, and for which there seemed to be no foreseeable end. Once the Caetano regime was overthrown, the generals turned to quarrelling among themselves and seeking out alignments with various parties, including the Communists, who used their alliance with one general officer to come perilously close to capturing the revolution.

It should be fairly obvious that the situation in Chile is radically different from that of Portugal. There is no colonial war; the leadership of the armed forces is unified in its opposition to the Communist party; the current chief of state is not a civilian like Caetano but a general to whom they have sworn their loyalty.

Nonetheless, if one thinks of the Portuguese metaphor more broadly, it is obvious that the revolution in Portugal was brought about by the decision of a group of officers not to continue to sacrifice the well-being of their institution to the political interests of a small coterie in Lisbon and the African colonial capitals. In that sense, it is not wholly inconceivable that at some point in the future, the armed forces in Chile would regard their continued co-stewardship with Pinochet as too expensive to continue.

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To flesh out this scenario, one must cast about for a series of functional equivalents to the war in Africa: (a) a yet sharper decline in the price of copper, and therefore in the health of the Chilean economy generally, (b) widespread riots and demonstrations, which the carabineros might prove incapable of handling, (c) a qualitative decline--due to increased international pressures--incapacity of the military to acquire armaments, thus raising the political costs of the regime to intolerable levels. All of these would have to be fairly catastrophic in dimensions, and would also have to be accompanied by credible assurances by the opposition--publicly as well as privately--that there would be no "war crimes trials" or **post hoc** adjudications of military stewardship from 1973.

This scenario envisions a deepening economic and social crisis, gathering accelerating force over a relatively short period of time (let us say, the Chilean winter, which is June-August). Perhaps begun by an illegal strike, or a shooting incident involving the carabineros and younger demonstrators, it could mushroom into more or less spontaneous violence and upheaval, which the political parties would use as a pretext to call for widespread demonstrations.

At some point the carabineros would prove incapable of containing the disorder, and it would be necessary to mobilize the army and send it into open combat with citizens. The failure to extinguish protest by a single bloody confrontation might require another, and this could lead to serious stresses within the service institutions, particularly if it appeared that they would be required to do this sort of thing on a continuing basis.

One could then envision a confrontation between Pinochet and his commanders that would lead to the former's resignation. What would follow from that, however, is less clear.

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As in Scenario One, the military might invite the opposition to support an accelerated transition, or conversely, it might attempt to continue Pinochet's timetable without him. (This could generate the same difficulties outlined in Scenario One, with some of the same possibilities.) If we were to follow the "Portuguese" metaphor fully, there might be a split within the armed forces, in which generals would choose up sides between various political forces, and bargain with one another to represent them in a reconstituted junta. That, of course, would be a formula for permanent instability.

**Checklist of Indicators to Watch for Scenario Two.**

- (1) General economic conditions--copper prices, unemployment, inflation, cost of basic foodstuffs, dollar-peso relationship.
- (2) Morale and professional capabilities of the carabineros.
- (3) Relations between carabineros and the Army (To what degree are the former willing to do the latter's "dirty work"? Indications of dissatisfaction? Expressions of Army reluctance to pull carabineros' chestnuts out of the fire?).
- (4) Decline in Chile's relative strategic position (patterns of arms acquisition of Argentina and Peru--balanced against Chilean capabilities).
- (5) Outcome of the trials of the service chiefs in Argentina and also the general stature and economic situation of the armed forces in that country (as a metaphor for Chile).
- (6) Public assurances by politicians on the future role of the military in a redemocratized Chile. (How often does the term a "democratized" armed forces appear? This is a red flag to the institutional pride of the latter.)

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(7) Conversations, if any, between politicians and the military (these would most likely take place outside of Chile, in such locales as the United States, Argentina, Peru, Spain, Panama, or in Geneva, where General Carrasco, currently in gilded exile because of his hostility to Pinochet, serves as Ambassador to US organizations).

**SCENARIO THREE. The Advent of a Revolutionary Marxist Regime.**

This could take place in one of three ways. (a) A popular uprising led by forces of the left, would spread to uncontrollable dimensions, and then perhaps be joined by elements of the armed forces.<sup>1</sup> Or, (b), some army generals, seeing the handwriting on the wall, might preempt the left by seizing power, banishing Pinochet, and announcing the advent of a "socialist" regime broadly allied to Cuba and the Soviet Union.<sup>2</sup> Or, (c) finally, popular unrest, and the incapacity of the armed forces to contain it, would lead to a split within the armed forces and a civil war, in which the anti-Pinochet forces, perhaps assisted by governments in Bolivia, Peru and Argentina, would prevail.

In all three cases, a coalition government of some sort would emerge, in which, however, the Communists would exercise a critical role. In subcases (a) and (c), the new Chilean government would have the appearance of being "left-Social Democratic" for a brief period, until all non-Marxist forces were eased out.<sup>3</sup> In subcase (b), the military might hold

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1/ Perhaps, as in Cuba in 1933, in which the enlisted men ousted their officers, consummating the first "social revolution" in a Latin American army.

2/ In some ways this is what happened in Peru in 1968, and in fact many Chileans believed in July and August, 1973 that it was the most likely outcome of the impasse between Allende and the opposition.

3/ Even so, the regime would continue to claim that it was non-Communist, and receive some support for its position from irresponsible Latin American leaders, including chiefs of state of neighboring countries.

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onto power, utilizing the Communists and other forces of the left as subordinate elements to whip up popular support, and also, to administer a centrally-planned economy and a controlled press, television and educational system.

**Checklist of Indicators to Watch for in Scenario Three.**

- (1) Chilean military contacts with Cubans, Soviets, or Eastern bloc states.
- (2) Chilean military contacts with the Communist party.
- (3) Postures of Argentine, Bolivian and Peruvian governments towards the Pinochet regime (willingness to allow their countries to be used as bases for conspiracy, training or armed opposition, or infiltration of weaponry and personnel.) This includes also the concrete capacity of such governments to police their own territories and to control subversive activities at home. (For example, the development of an important Sendero Luminoso base in Southwestern Peru would create a whole new dimension to this problem.)
- (4) Expression of Communist party views on possible alliances with "democratic elements" in the military.
- (5) General indicators of political instability and the possibilities of massive social upheaval.
- (6) Growth of disciplined, Communist-led protest in the poorer districts (**poblaciones**) of Santiago and other major cities (as opposed to spontaneous upheaval).
- (7) Unrest within the lower ranks of the army, particularly on the part of non-commissioned officers.

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### FINAL CONSIDERATIONS

These "unthinkable" scenarios become a little more interesting when placed alongside what is clearly the most "thinkable": a combination of international pressures (negotiations on Chile's foreign debt), pressures from the Church, shifts within the armed forces, and perhaps even a change of heart by Pinochet, leads to a new approach to the transition. The government would initiate negotiations with the opposition; there would be serious discussion of modification of the Constitution of 1980; perhaps the date of congressional elections would be advanced. At the same time, some arrangement would be worked out for the safety of General Pinochet and his family once he retires, to which all of the parties would have to make some sort of commitment, perhaps even to Communists.

However one may choose to rank this scenario in order of likelihood, it is important to note that it is the tacit objective of almost all of the international pressures against the regime. Both the Carter and Reagan policies could be described as having had this desideratum, and of course the same applies for most of the governments of Western Europe and Latin America.<sup>4</sup> It is also the basis upon which most of the democratic opposition in Chile operates. Neither they nor we are prepared for any surprises, yet only some unforeseen development, such as suggested above, can seriously alter the balance of forces in that country during the next eighteen months.

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4/ There is genuine concern in Argentina that a social upheaval in Chile would have "spillover" effects into its own country, and, of course, the military there are concerned with the possible advent of a trans-Andean Marxist regime.

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